Report Quality Evaluation

To our clients:

To ensure that the highest standards of report quality are maintained, INPUT would appreciate your assessment of this report. Please take a moment to provide your evaluation of the usefulness and quality of this study. When complete, simply fold, staple, and drop in the mail. Postage has been pre-paid by INPUT if mailed in the U.S.

Thank You.

1. Report title: ***Innovative Service Offerings*** (FCSP4)

2. Please indicate your reason for reading this report:
   - ☐ Required reading
   - ☐ Area of high interest
   - ☐ Area of general interest
   - ☐ New product development
   - ☐ Business/market planning
   - ☐ Product planning
   - ☐ Future purchase decision
   - ☐ Systems planning
   - ☐ Other ____________

3. Please indicate extent report used and overall usefulness:

	Extent		Usefulness (1=Low, 5=High)				
	Read	Skimmed	1	2	3	4	5
Executive Overview	☐	☐	☐	☐	☐	☐	☐
Complete report	☐	☐	☐	☐	☐	☐	☐
Part of report (_____ %)	☐	☐	☐	☐	☐	☐	☐

4. How useful were:

	1	2	3	4	5
Data presented	☐	☐	☐	☐	☐
Analyses	☐	☐	☐	☐	☐
Recommendations	☐	☐	☐	☐	☐

5. How useful was the report in these areas:

	1	2	3	4	5
Alert you to new opportunities or approaches	☐	☐	☐	☐	☐
Cover new areas not covered elsewhere	☐	☐	☐	☐	☐
Confirm existing ideas	☐	☐	☐	☐	☐
Meet expectations	☐	☐	☐	☐	☐
Other ____________	☐	☐	☐	☐	☐

6. Which topics in the report were the most useful? Why? ____________

7. In what ways could the report have been improved? ____________

8. Other comments or suggestions: ____________

Name ____________ Title ____________

Department ____________

Company ____________

Address ____________

City ____________ State ____________ ZIP ____________

Telephone ____________ Date completed ____________

Thank you for your time and cooperation.

M&S 633/01 12/89

INPUT

STAPLE

FOLD HERE

NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES

BUSINESS REPLY MAIL
First Class Permit No. 982 Mountain View, CA

POSTAGE WILL BE PAID BY ADDRESSEE

Attention: Marketing Department

INPUT
1280 Villa Street
Mountain View, CA 94041-9912

FOLD HERE

FEBRUARY 1991

INNOVATIVE SERVICE OFFERINGS

INPUT®

1280 Villa Street, Mountain View, California 94041-1194 (415) 961-3300

Published by
INPUT
1280 Villa Street
Mountain View, CA 94041-1194
U.S.A.

Customer Service Program (CSP)

Innovative Service Offerings

FCSP4 • 558 • 1991

Abstract

This report from INPUT focuses on new and innovative customer service offerings within the computer and information services industry. The objective is to review how end-user requirements are changing and how vendor offerings are accommodating those changed requirements.

Additionally, the report addresses how these changed requirements and offerings are impacting the business of the customer services firm or organization within a computer manufacturer.

The report contains 82 pages and 34 exhibits.

Table of Contents

Table of Contents (Continued)

Exhibits

Exhibits (Continued)

I

Introduction

I

Introduction

A

Purpose and Scope

Service organizations have developed beyond the traditional definitions of maintenance and repair activities to offer users a variety of new products. Some of these products are based upon the repackaging of existing services to provide a new look to the company's products; others constitute services and products leveraged from expertise in new technologies and areas of practice such as systems planning, network management and general consulting services.

Exhibit I-1 offers a loose model of the current service market behavior with regard to user demand and economic influences, and shows the types of maneuvers currently being designed and implemented by vendors to gain market advantage.

As the information systems marketplace moves toward—and displays more of the characteristics associated with—a solutions-driven market, there is tremendous pressure on the service vendor to differentiate the services provided and to leverage any and all expertise into salable products.

Exhibits I-2 and I-3 illustrate the kinds of services available in the marketplace and attempts to differentiate the repackaging of traditionally defined service options from products definable as newly created, extended or non-traditional products.

The restructuring of an existing service/product mix emphasizes the needs and requirements of the customer base and the concurrent requirement for the vendor to maintain profitability and market position. The competitive assumption is that expansion has slowed to zero, and market share must be taken from another vendor—and well defended.

EXHIBIT I-1

Application/Technology-Driven Service Market

Service Market Characteristics

- Traditional aspects plateaued/margins being squeezed
- Leverage relevant expertise to expanded service products
- Leveraging expertise into niche and cross-industry markets

Service Contract Issues

- Decisions focusing on bundling/un-bundling of services
- Roll-out of value-adding professional/ancillary services

Internal Operations

- Development/implementaion of real-time response capabilities
- Implementation of problem/resolution information pipeline
- Overall development of a proactive service infrastructure

EXHIBIT I-2

Directions in Service/Product Innovation: Repackaged/Restructured Services

Examples of Repackaged Services
• Discounts
• Vertical market specialization
• Guaranteed response times
• Guaranteed uptimes
• Strategic user partnerships

The development of extended/non-traditional service products is based on an environment of expansion; the decision to proceed is based on the idea that there is less risk involved in the development and roll-out of a new type of service in an expansion market than in battling for market share in a relatively flat market with well-established competitors.

EXHIBIT I-3

Directions in Service/Product Innovation: Extended/Non-Traditional Services

Examples of Extended/Non-Traditional Services
• Systems integration
• Disaster recovery
• General business consulting
• Network management
• Human resources
• Turnkey systems hardware and software (training)

This report is designed to investigate the types of non-traditional services being offered by service organizations. Is there a real trend toward redefining the customer service company; are ISOs expanding their product portfolios to remain competitive; and are service divisions within manufacturing companies beginning to develop broader functions?

More precisely, this report is designed to answer the following questions:

1. What new products and services are being implemented by computer and information services companies? How far from the traditional aspects of maintenance and repair are these new services?

2. In which extended service area(s) do customer service organizations have the greatest potential for success?

3. How responsive is the user community to the availability of non-traditional services from service organizations?

B
Methodology

This report is based upon structured telephone interviews with 30 users and 20 service vendors. Sampling was distributed across geographic and industry segments. The overall study methodology was designed to provide insight regarding how identified concepts and trends were being accepted and implemented within the computer and information services marketplace.

Exhibit I-4 provides the demographics of the user respondents. Although a modest majority are manufacturing companies, the sample does represent the more dominant vertical sectors used by INPUT in its industry-specific market definitions.

Exhibit I-5 provides the demographics of the vendor respondents. This sample generally represents the demographics of the customer service industry.

EXHIBIT I-4

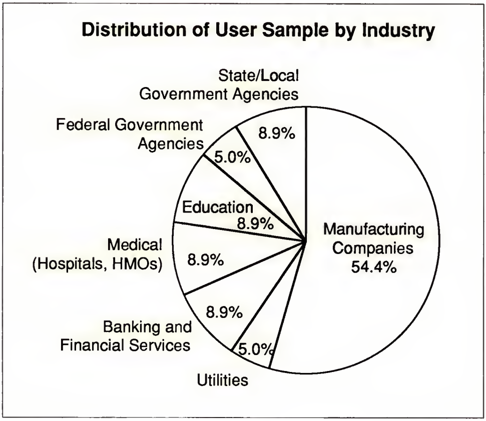
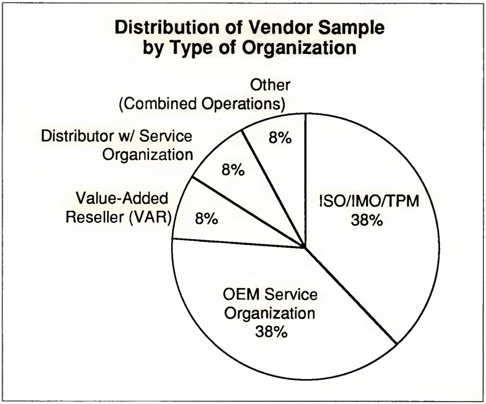


EXHIBIT I-5



C
Report Organization

This report is organized as follows:

- Chapter II—Executive Overview—provides a brief summary of the report's findings and recommendations.
- Chapter III—Issue Background and Definition—provides a framework for contrasting traditional customer services offerings and newer innovative or extended services offerings.
- Chapter IV—User Requirements and Issues—presents the research findings regarding user interests and issues regarding extended services requirements.
- Chapter V—Vendor-Extended Services Offerings—Implementation Status—looks at the current state of vendor activity regarding innovative service offerings.
- Chapter VI presents conclusions and recommendations.

D
Related Reports

Related 1991 reports include:

- *U.S. Customer Services Market, 1991-1996*
- *Single-Point-of-Contact Customer Service*
- *Impacts of New Support Technologies*

II

Executive Overview

II

Executive Overview

A
Scope and Definition

Service organizations are developing capabilities beyond the traditional definitions of maintenance and repair to offer users a variety of new products. These service products are based upon:

- The restructuring of an existing service/product mix. The competitive assumption is that expansion has slowed to zero and market share must be taken and, conversely, well defended. This strategy emphasizes the needs and requirements of the customer base and the concurrent requirement for the vendor to maintain profitability and market position.

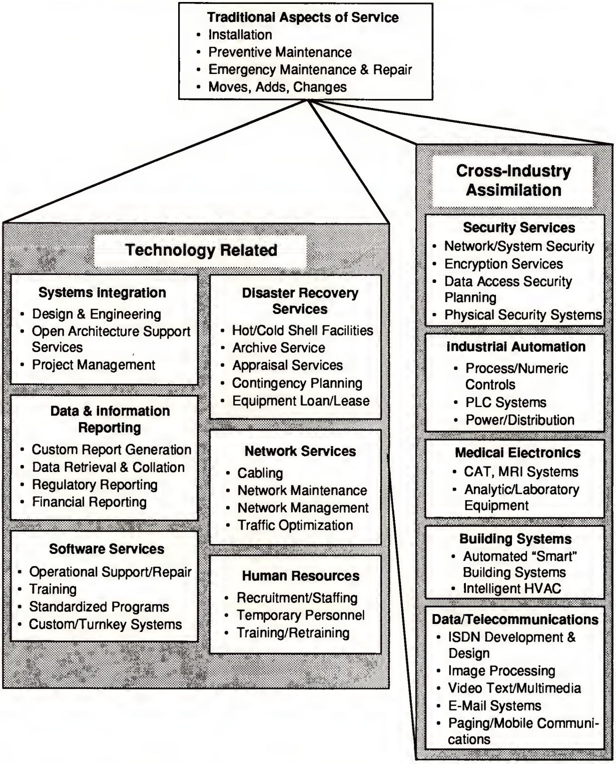
- Services and products leveraged from expertise in new technologies and areas of practice such as systems planning, network management and general consulting services. This development of extended/non-traditional service products is based on an environment of expansion. The decision to proceed accepts that there is less risk involved in developing and offering a new type of service in an expansion market than in battling for market share in a relatively flat market with well-established competitors.

Exhibit II-1 illustrates the current, broadly defined extended/non-traditional services market.

This report is designed to investigate the types of extended/non-traditional services being offered by service organizations. Is there a real trend toward the redefinition of the customer service company; are ISOs expanding their product portfolios to remain competitive; and are service divisions within manufacturing companies beginning to develop broader functions?

EXHIBIT II-1

Status of Current Extended/Non-Traditional Services Market



More precisely, this report is designed to answer the following questions:

1. What new products and services are being implemented by computer and information services companies? How far from the traditional aspects of maintenance and repair are these new services?

2. In what extended service area(s) do customer service organizations have the greatest potential for success?

3. How responsive is the user community to the availability of non-traditional services from service organizations?

B
User Demographics

Exhibit II-2 shows the distribution of the user segment by equipment class in mean number of units and percentage breakdown.

EXHIBIT II-2

Distribution of User Installed Base by Equipment Class

Type/Class of Equipment	Overall		Small User		Large User	
	Mean Number of Units	Percent Distribution	Mean Number of Units	Percent Distribution	Mean Number of Units	Percent Distribution
Mainframe	2	0.3	1	0.7	2	2
Minicomputer	3	0.5	3	2	3	3
Workstation	163	31	10	7	265	29
PC	173	33	45	34	256	28
Terminal Network (Number of Nodes)	63	12	29	22	88	9
LAN (Number of Nodes)	69	13	13	10	101	11
Printers	68	13	28	21	112	12

The smaller user (see Exhibit IV-1 for segmentation methodology), though from a smaller absolute user population, has an installed base that uses roughly the same mix of processing technologies as the larger user.

The results of this study show that users attribute considerable value to products that, whether innovative and new or available as a commodity, contribute to system integrity and uptime. Traditionally defined services represent a basic and very important requirement for all classes of users, independent of the availability of extended/non-traditional services.

Virtually all (95.5%) of the users received some extended or non-traditional services from their associated service vendors.

An important consideration in the assessment of non-traditional services is illustrated in Exhibit II-3, which shows the overall mean importance rating of traditional and extended/non-traditional services and provides a ranking of these services for the overall, large-, and small-user segments.

EXHIBIT II-3

Perceived Importance of Extended/ Non-Traditional Services to Users

Type of Service	Mean Rating of Importance	End-User Ranking of Services by Level of Importance		
		Overall	Large User	Small User
Traditionally Defined Service Feature				
4-Hour Guaranteed Response	4.7	1	1	1
On-site Field Engineer	4.7	2	3	2
Uptime Guarantee	4.5	3	4	3
1-Hour Guaranteed Response	4.5	4	5	4
2-Hour Guaranteed Response	4.5	5	6	5
7-Day/24-Hour Service	4.2	6	8	6
Unlimited Service Calls	4.2	7	9	7
Loaner/Replacement Units	4.1	10	10	8
Preventive Maintenance	4.1	11	11	9
Telephone Support	3.9	13	13	11
Depot Service	3.6	14	15	14
Install/Moves/Adds	3.4	16	16	16
Extended/Non-Traditional Services (By Category)				
Network Services	4.1	8	7	15
Disaster Recovery	4.1	9	2	12
Security Services	4	12	12	10
Software Services	3.5	15	14	17
Planning & Design Services	3.2	17	18	13
Human Resources	2.5	18	17	18

C

Vendor Considerations

Vendors clearly indicate consensus that traditional services are perceived as having a low potential for continued growth. Vendor perceptions are that delivery of non-traditional services is key to market expansion.

Considering this strong emphasis on non-traditional services, it is notable that, on the average, 83% of business done by the service organization is still comprised of traditional services, as shown in Exhibit II-4.

EXHIBIT II-4

Mean Proportion of Service Business Attributable to Extended/Non-Traditional Service Offerings

Percent Business Attributable to Extended/Non-Traditional Services	Percent Distribution of Vendor Sample
4 - 10	50
11 - 20	25
21 - 25	8
26 - 40	17

The primary vendor activity in delivering extended services is in the network services and disaster recovery categories. Exhibit II-5 illustrates that roughly 65% of the vendor sample currently delivers some network and disaster recovery services, and that an additional 20%+ have indicated they are in the process of developing such services.

EXHIBIT II-5

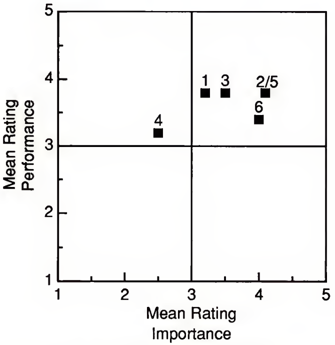
Summary of Vendor Product Innovation and Roll-Out

Expanded Service/ Product Category	Offers	Currently Adding	Planning to Add	Does Not Offer/ Consider
Planning & Design Services				
Design & Engineering	62	—	—	38
Site Planning	77	—	—	23
Purchase Consultation	69	—	—	31
Network Services				
Cabling	69	15	8	8
Configuration Management	69	15	8	8
Capacity Planning	69	15	15	—
Network Maintenance	62	15	15	8
Network Management	69	15	15	—
Software & Services				
Applications Training	85	—	—	15
Standard Software Products	77	—	—	23
Custom Software Development	53	—	8	46
Disaster Recovery Services	69	8	15	8
Security Services				
Network Security	38	8	—	54
Security Planning	38	—	8	54
Human Resources				
Recruitment/Staffing	15	—	—	85
Temporary Personnel	23	—	—	77

Vendor performance in delivering extended services to the user is generally good (overall mean rating of 3.8). Exhibit II-6 assesses the performance ratings for each extended services category against users' perceptions of each category's importance. The resulting graph gives a relative indication of how well vendors' services are being received in the user community.

EXHIBIT II-6

Assessment of Vendor Performance Compared to User Rating of Category Importance



Rating: 1 = No Importance/Low Performance
5 = Extreme Importance/Excellent Performance

Legend:
1 = Planning & Design
2 = Network Services
3 = Software Services
4 = Human Resources
5 = Disaster Recovery
6 = Security Services

D

Summary

The market emphasis on the technologies and design of information movement and the shift away from the more fundamental nature of the underlying computing infrastructure have created many new opportunities and risks for the service vendor.

The response-sensitive nature of the traditionally defined service operation is well-suited as a foundation for development of new service products focused on maintaining system integrity.

Investments necessary when targeting network or software services in a maintenance and support role are in training, test/diagnostic equipment, and inventory maintenance. Within these specific categories, profitability still resides in short-term service visits, and the terms of the service contract.

The traditionally defined service operation is geared to work profitably in this response-sensitive type of business. INPUT's report *Impacts of New Support Technologies* investigates the large body of knowledge and technologies available to refine the service delivery infrastructure to better respond to user service demands.

The greatest threats are from competitors and industry segments that have established practices in project-oriented solutions or applications development.

It is INPUT's general recommendation that the vendor conduct a systematic audit of its core business components and current operational effectiveness prior to any serious consideration of a new service offering. It will be necessary to build a carefully considered feasibility determination, assess the role of traditional services, and establish an actionable and profitable balance between the delivery of hard and soft services.

- If there are gaps or inconsistencies in the operational aspects of the vendor delivery infrastructure, these should be investigated and resolved in an effort to produce the greatest profits from existing operations.

- Identify current users who may serve as a base for moving into extended/non-traditional service categories. Incorporate measures to retain current user loyalties, and that have potential for bundling new services with high value-in-use traditional services.

III

Issue Background and Definition

III

Issue Background and Definition

A
Background and Definition

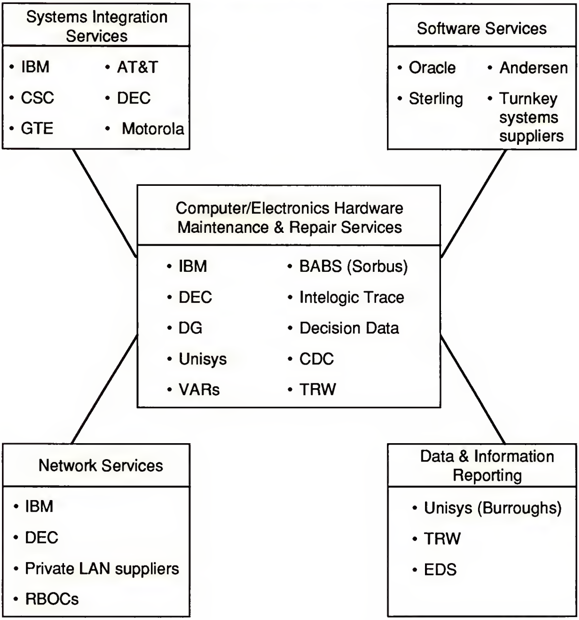
The emergence of the third-party maintenance concept approximately ten years ago foreshadowed the role that product and delivery innovation would play in the computer and information services marketplace. Such innovation created an alternate market and permanently changed the dynamics and legalities of the computer and information services industry.

As microprocessor and digital technology continues to be configured in new industries and applications, traditionally defined computer customer service companies will find their expertise requested—and challenged—from new sources.

Technological advancement in the computer and information services industry and the increase in user dependence on this technology can be directly tied to many spin-off markets associated with non-traditional services. These are summarized in Exhibit III-1.

EXHIBIT III-1

Summary of Extended/Non-Traditional Services Environment—User Perspective



Additionally, the assimilation of digital and network technologies into previously unassociated industries, illustrated by Exhibits III-2 and III-3, produces a conduit for cross-industry market penetration. The potential for entry is very high for companies that can develop or purchase the required expertise.

EXHIBIT III-2

Assimilation of Digital/Network Technologies Into Traditionally Unrelated Industries

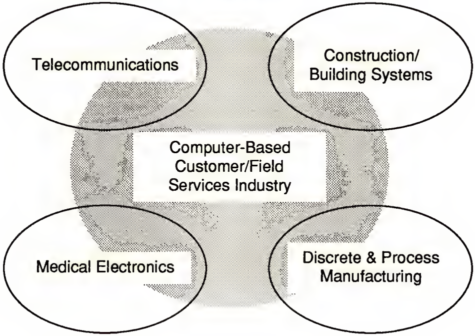
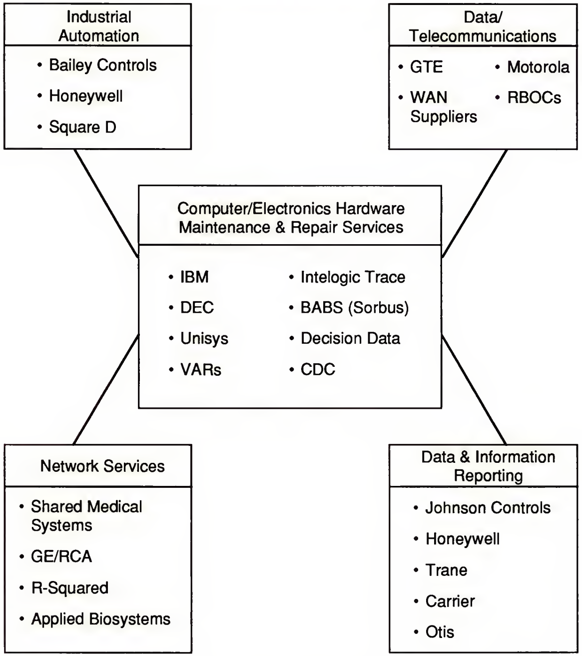


EXHIBIT III-3

Summary of Cross-Industry Extended Services Environment



This potential for cross-industry expansion will have an impact on competition in two ways:

- Competition within the traditionally defined computer and information services industry will focus on the customer services companies that have the specific applications expertise necessary to competently perform within a given market segment or niche.

- As telecommunications, building systems, manufacturing systems, and medical electronics, etc. become digitized and more intelligent, the crucial competitive question becomes whether:

  - Companies like the RBOCs, Johnson Controls, United Technologies, or Applied Biosystems, respectively, assimilate the systems and network expertise required to develop and service these more broadly defined systems, or

  - The customer services companies acquire the expertise necessary to completely understand the requirements of specialized systems and the associated industry and user population.

It is evident in the organizational shufflings of the customer services giants IBM and DEC that response to the fluid nature of this competitive environment is a complex issue. The assessment of risk should be a priority for any service organization attempting to develop products that differ from its core service offerings.

Competitive balances between hard and soft services will be key in successfully extracting profits from the total extended services marketplace, as illustrated in Exhibit III-4.

The remainder of this report investigates the need and requirements for extended/non-traditional services in the user community and the levels of corresponding delivery by service vendors.

EXHIBIT III-4

Summary of Overall Extended/Non-Traditional Services Environment

Traditional Aspects of Service
- Installation
- Preventive Maintenance
- Emergency Maintenance & Repair
- Moves, Adds, Changes

Technology Related

Systems Integration
- Design & Engineering
- Open Architecture Support Services
- Project Management

Data & Information Reporting
- Custom Report Generation
- Data Retrieval & Collation
- Regulatory Reporting
- Financial Reporting

Software Services
- Operational Support/Repair
- Training
- Standardized Programs
- Custom/Turnkey Systems

Disaster Recovery Services
- Hot/Cold Shell Facilities
- Archive Service
- Appraisal Services
- Contingency Planning
- Equipment Loan/Lease

Network Services
- Cabling
- Network Maintenance
- Network Management
- Traffic Optimization

Human Resources
- Recruitment/Staffing
- Temporary Personnel
- Training/Retraining

Cross-Industry Assimilation

Security Services
- Network/System Security
- Encryption Services
- Data Access Security Planning
- Physical Security Systems

Industrial Automation
- Process/Numeric Controls
- PLC Systems
- Power/Distribution

Medical Electronics
- CAT, MRI Systems
- Analytic/Laboratory Equipment

Building Systems
- Automated "Smart" Building Systems
- Intelligent HVAC

Data/Telecommunications
- ISDN Development & Design
- Image Processing
- Video Text/Multimedia
- E-Mail Systems
- Paging/Mobile Communi-cations

IV

User Requirements and Issues

IV

User Requirements and Issues

A

User Demographics: Installed Base of Equipment

The aggregate user sample utilizes a diverse mixture of computer hardware and configurations. Exhibit IV-1 illustrates the common usage of multiple computer hardware classes within the user base.

Unplanned study results have allowed the segmentation of the user sample into small and large user categories (see footnote for segmentation methodology). Variations of greater than 15% in utilization for the small versus large user exist in the standalone workstation, PC, terminal network and LAN categories. However, the intermediate percentages (36% to 81%, the requirement for printers acknowledged as universal) seen in Exhibit IV-1 do not support any generalizations on how a user may configure its installed base.

EXHIBIT IV-1

Percent Utilization of Equipment Type in User Sample

Type/Class of Equipment	Percent Usage		
	Overall	Small	Large
Mainframe	68	63	72
Minicomputer	50	45	54
Workstation	45	36	54
PC	68	54	81
Terminal Network	54	45	63
LAN	63	45	81
Printer	100	100	100

Small users are defined as respondents having 100 or less of each type of station; the largest possible user population for the small-user segment is therefore 400.

(SMALL USER = #workstations ≤ 100; #PCs ≤ 100; #Network Nodes (Terminal Network or LAN workstations) ≤ 100)

Large users were defined as having more than 100 units in any of these categories of stations; the smallest possible large user therefore may have 104 user stations.

(LARGE USER = #workstations >100 or #PCs >100 or #Network Nodes >100)

IMPORTANT: Theoretically this definition is flawed and would allow an overlap of almost 300 user stations. However, no respondents fell into this overlap segment—that is, no large user had less than 400 separable user stations regardless of the distribution between the unit categories and all had at least one category with over 100 units, which allows an exclusive segmentation and an opportunity to assess basic differences in the characteristics of these segments.

Exhibit IV-2 builds a model of the user segments as defined by the distribution of each equipment class in mean number of units and percentage breakdown.

EXHIBIT IV-2

Distribution of User Installed Base by Equipment Class

Type/Class of Equipment	Overall		Small User		Large User	
	Mean Number of Units	Percent Distribution	Mean Number of Units	Percent Distribution	Mean Number of Units	Percent Distribution
Mainframe	2	0.3	1	0.7	2	2
Minicomputer	3	0.5	3	2	3	3
Workstation	163	31	10	7	265	29
PC	173	33	45	34	256	28
Terminal Network (Number of Nodes)	63	12	29	22	88	9
LAN (Number of Nodes)	69	13	13	10	101	11
Printers	68	13	28	21	112	12

The installed base represented suggests a distributed overall computing style. For the overall user sample, just under two-thirds (64%) of the equipment units are classified as standalone workstation and PCs.

In the small-user segment, the results indicate that roughly half of the operating workstations and PCs are on either a terminal network or a LAN. This coincides with the mounting importance of delivery of network-related maintenance and management to the user regarding extended/non-traditional services, seen in section C of this chapter.

The large-user segment indicates that less than one-quarter of the operating workstations and PCs are configured into a terminal network or LAN. Large users do comprise a much greater absolute volume in all these categories of user stations.

Size and utilization characteristics of terminal networks and LANs offer no insights to preference, but the dual existence may suggest that the perceived and/or real differences in processing characteristics of each configuration has exclusive benefits to applications users.

The relative similarity in mean number of mainframe and minicomputer units being used in the small- and large-user segments is noteworthy, as it provides evidence that small users utilize systems capable of high processing volumes. This raises the issue for service vendors of how to segment and classify their own user base: is service demand a function of MIPS characteristics and transaction volumes or more a function of the real number of users dependent upon the system?

Exhibit IV-3 shows the distribution of mainframe processors within the user sample and provides evidence that, reasonably, the large-user segment incorporates the greatest number of mainframes. However, there is no indication that mainframe configurations are less likely in small-user systems. Exhibit IV-1 noted that the percent utilization of mainframes for both segments is fairly close (within 10%).

EXHIBIT IV-3

Distribution of Mainframe Processors in the User Sample

Number Separable Mainframe Processors	Percent Distribution		
	Overall	Small User	Large User
1	71	83	63
2	21	17	25
3	7	-	12

The distribution of minicomputers across the segments shows that small users actively use this processing option. Exhibit IV-4 suggests no significant variation in usage patterns between small and large users.

EXHIBIT IV-4

Distribution of Minicomputers in the User Sample

Number Separable Minicomputers	Percent Distribution		
	Overall	Small User	Large User
1	36	60	17
2	27	-	50
3-5	18	20	17
5-10	18	20	17

These findings provide evidence for a basic conclusion: the smaller user, though from a smaller absolute user population, has an installed base that uses roughly the same mix of processing technologies as the larger user.

This suggests that the large user will produce a higher service demand by the sheer number of users, not necessarily by any inherent difference in the types of services required.

B

User Service Needs and Requirements—Traditionally Defined Services

Citing the general advancement of product and networking technologies, users were asked to rate if, compared to two years ago, there was an overall increase in their sensitivity to service and support issues. Responding on a 1-5 scale—where 1 indicated a low or reduced sensitivity and 5 indicated a high or increased sensitivity—the user sample rated a mean of 3.7

This sensitivity rating is not significantly high, but may reflect a general recognition by the corporate user community of the service and support role in maintaining application productivity and, consequently, dependent personnel productivity.

Associated verbatim responses regarding the effects of advanced product and network technology included the following comments:

- There is a requirement to competently increase the capacity of networks without bottlenecks, without an increase in net downtime.

- Improvements, and standards, in connectivity are needed—a requirement for a dominant open standard

- Level of FE expertise lags behind the equipment technology

Comments were consistently made associating the basic service requirements of responsive service, reliable repairs, and high levels of equipment uptime to the newer technologies. These considerations recur, independent of the levels of installed base technology, as highly important to the user community.

The current portfolio of traditional services provided to the user details a variety of service items in addition to the provision of parts and labor. The most important service items deal with the response capabilities and overall availability of the field representative and the service organization in general.

- As shown in Exhibit IV-5, five of the top eight services features deal with response-related aspects of the service relationship.

- No service feature received an average rating of importance of less than 3.4 on a scale of 1 to 5 (with 5 being extremely important).

- Nine of the 12 features listed received an average rating of 4 (very important) or greater.

When asked if they receive these individual service items from vendors as part of their service agreement(s) the respondents indicated that there are specific items that are not consistently delivered in the industry. The ability to provide the user with an uptime guarantee for its installed base, the availability of a full-time, on-site field engineer, and a guaranteed one-hour response time rank in the top of this category.

The emphasis of traditionally defined services, through the itemized service features listed, is upon maintaining a high level of day-to-day performance for users' installed base of equipment. The results of this study show that users attach considerable value to those products, whether innovative and new or available as a commodity, that contribute to system integrity and uptime.

EXHIBIT IV-5

Traditionally Defined Service Items
Ranking by Mean Rating of Importance

Service Features	Mean Rating of Importance
4-Hour Guaranteed Response	4.7
On-site Field Engineer	4.7
Uptime Guarantee	4.5
1-Hour Guaranteed Response	4.5
2-Hour Guaranteed Response	4.5
7-Day/24-Hour Service	4.2
Unlimited Service Calls	4.2
Loaner/Replacement Units	4.1
Preventive Maintenance	4.1
Telephone Support	3.9
Depot Service	3.6
Install/Moves/Adds	3.4

Rating: 1 = Not Important, 5 = Extremely Important

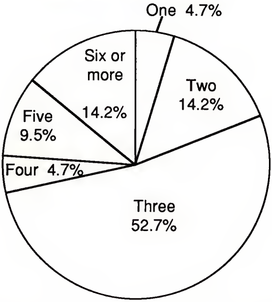
C
User Participation In and Perceptions of Extended/Non-Traditional Service Offerings

Virtually all (95.5%) of the users had received some extended or non-traditional services from their associated service vendors.

The user sample indicates that each utilizes an average of three service suppliers to support the installed base of equipment and overall systems (see Exhibit IV-6). Each user recognizes a primary vendor, responsible for the majority of components in the user's system, and typically solicits additional vendors for specific product technologies and service roles. For users contracting with 1-5 vendors, there was no significant correlation between the size of the user and the number of vendors that user utilized for service coverage. The largest users in the sample (1,000+ users) indicated using between 5-12 vendors to establish adequate coverage for their installed base of equipment.

EXHIBIT IV-6

Number of Vendors Utilized by User Sample



Companies identified often as primary vendors by the user sample include the following (IBM receiving the most mentions as users' primary vendor):

- IBM
- Data General
- DEC
- HP
- Unisys

Other major customer services companies identified within the user sample as being considered users' primary vendor include:

- TRW
- Bull
- Tandem
- Bell Atlantic Business Systems (Sorbus)
- Cray

Bell Atlantic was the only ISO mentioned in the sample as a primary vendor. Other traditionally defined ISOs, LAN suppliers, and office automation companies were typical in the vendor mix.

Regarding the delivery of extended/non-traditional services, the majority of users had received planning and design services from their associated vendors. Exhibit IV-7 suggests that services associated with the initial stages of the purchase cycle—design and engineering, site planning, and purchase consultation—are most common within the user segment.

Reception of other non-traditional services is consistent, with roughly 20%-30% of users receiving these services. Human resources consistently showed low levels of activity throughout this study, which seems to indicate that this will remain a specialized area of practice.

Exhibit IV-7 shows that large users receive the highest levels of network and software services and small users require the highest levels of planning and design services. Overall, the smaller users appear to more readily accept and utilize the service organization as a source for initial systems consultation.

The large user utilizes the service organization's expertise in maintaining overall systems and systems operation integrity.

EXHIBIT IV-7

Summary of Extended/Non-Traditional Services Received by Users

Expanded Service/ Product Category	Percent Total Receiving Item	Percent Small End User	Percent Large End User
Planning & Design Services			
Design & Engineering	50	60	40
Site Planning	70	80	60
Purchase Consultation	65	50	80
Network Services			
Cabling	45	30	60
Configuration Management	N/A*	—	—
Capacity Planning	N/A*	—	—
Network Maintenance	40	30	50
Network Management	30	30	40
Software & Services			
Applications Training	35	30	40
Standard Software Products	40	30	50
Custom Software Development	35	20	50
Human Resources			
Recruitment/Staffing	10	20	—
Temporary Personnel	5	10	—
Disaster Recovery Services	45	50	40
Security Services			
Network Security	15	20	10
Security Planning	20	30	10

*Data not available from user segment.

Note: See Exhibit IV-1 for segmentation methodology.

When asked to rate the level of importance of the major categories of non-traditional services—utilizing a scale of 1-5 where 1 indicates the item is of no importance and 5 indicates the item is of extreme importance—users responded as illustrated in Exhibit IV-8.

EXHIBIT IV-8

User Rating of Importance of Extended/Non-Traditional Service Categories

Major Service Category	Mean Rating of Importance
Network Services	4.1
Disaster Recovery	4.1
Security Services	4.0
Software & Services	3.5
Planning & Design Services	3.2
Human Resources	3.2

The relatively high rating for security services amplifies the importance of network access control issues. The recent incidents involving unauthorized access into UNIX nets and the DEC corporate net stress the importance of these issues in the current and future marketplace.

An important consideration in the assessment of non-traditional services is illustrated in Exhibit IV-9, which identifies the overall mean rating of importance of traditional and extended/non-traditional services and provides a ranking of these services for the overall, large- and small-user segments.

Compared to users' assessment of traditional services, the non-traditional service categories scored in the intermediate range, with network and disaster recovery services scoring consistently high in level of importance.

Network services and disaster recovery are the only extended/non-traditional categories to be ranked within the top ten service features by the overall and large-user segment. It is important to note that the large-user segment ranks disaster recovery second only to four-hour guaranteed response time.

EXHIBIT IV-9

Perceived Importance of Extended/ Non-Traditional Services to Users

Type of Service	Mean Rating of Importance	End-User Ranking of Services by Level of Importance		
		Overall	Large User	Small User
Traditionally Defined Service Feature				
4-Hour Guaranteed Response	4.7	1	1	1
On-site Field Engineer	4.7	2	3	2
Uptime Guarantee	4.5	3	4	3
1-Hour Guaranteed Response	4.5	4	5	4
2-Hour Guaranteed Response	4.5	5	6	5
7-Day/24-Hour Service	4.2	6	8	6
Unlimited Service Calls	4.2	7	9	7
Loaner/Replacement Units	4.1	10	10	8
Preventive Maintenance	4.1	11	11	9
Telephone Support	3.9	13	13	11
Depot Service	3.6	14	15	14
Install/Moves/Adds	3.4	16	16	16
Extended/Non-Traditional Services (By Category)				
Network Services	4.1	8	7	15
Disaster Recovery	4.1	9	2	12
Security Services	4.0	12	12	10
Software Services	3.5	15	14	17
Planning & Design Services	3.2	17	18	13
Human Resources	2.5	18	17	18

The small-user segment displays relative apathy toward the provision of extended/non-traditional services, with no associated category ranking significantly high compared to traditionally defined services.

V

Vendor-Extended Service Offerings—Implementation Status

V

Vendor-Extended Service Offerings—Implementation Status

A Implementation of Extended/Non-Traditional Services

When vendors were asked to indicate their level of agreement with four different market growth scenarios, as described in Exhibit V-1, the responses clearly showed consensus by the vendors that traditional services are perceived as having little potential for continued growth.

Vendor perceptions are that the delivery of non-traditional services is key to market expansion, the attributable scenario receiving a significantly high level of agreement within the vendor sample (mean rating of 3.7).

The close scores given to the scenarios outlining innovative marketing and niche mechanisms indicate strong preferences by the vendors. However, the variance in the scores indicates that the vendor community is less certain of the growth potential in these models.

EXHIBIT V-1

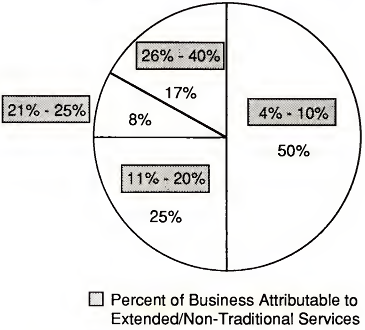
Vendor Perceptions of Current Customer/Field Services Market

Market Growth Statement	Mean Rating of Agreement
Significant growth will develop through the delivery of allied, non-traditional services by customer service organizations.	3.7
Significant growth in traditional customer service markets will be seen through innovative marketing and/or the restructuring of service delivery mechanisms.	3.5
Overall market growth cannot be assessed in the aggregate. Technology and vigorous end-user demands have brought the competition to the segment and niche level. Significant growth will be seen in specific areas not in the overall market.	3.4
There will be significant growth in the traditional services (10%+ annually).	2.4

Considering the emphasis suggested in Exhibit V-1, it is notable that, on the average, only 17% of business done by the service organization is comprised of non-traditional services, as shown in Exhibit V-2.

EXHIBIT V-2

Breakdown of Vendor Segment by Proportion of Business Attributable to Extended/Non-Traditional Services



There was no consistent trend indicating that manufacturer-based service organizations or ISOs were more or less likely to participate in extended services.

Primary vendor activity in delivering extended services exists in the network services and disaster recovery categories. Exhibit V-3 shows that roughly 65% of the vendor sample currently delivers network and disaster recovery services, and that another 20%+ have indicated they are in the process of developing such services. Vendors not currently offering planning and design services and/or software services do not indicate any plans to begin offering such services.

EXHIBIT V-3

Summary of Vendor Roll-Out in Extended/Non-Traditional Services

Expanded Service/ Product Category	Offers	Currently Adding	Planning to Add	Does Not Offer/ Consider
Planning & Design Services				
Design & Engineering	62	—	—	38
Site Planning	77	—	—	23
Purchase Consultation	69	—	—	31
Network Services				
Cabling	69	15	8	8
Configuration Management	69	15	8	8
Capacity Planning	69	15	15	—
Network Maintenance	62	15	15	8
Network Management	69	15	15	—
Software & Services				
Applications Training	85	—	—	15
Standard Software Products	77	—	—	23
Custom Software Development	53	—	8	46
Disaster Recovery Services	69	8	15	8
Security Services				
Network Security	38	8	—	54
Security Planning	38	—	8	54
Human Resources				
Recruitment/Staffing	15	—	—	85
Temporary Personnel	23	—	—	77

Applications training and the delivery of standardized software are currently major areas of focus for the vendor community. One hundred percent of the manufacturer-based service organizations in the vendor sample indicated they do provide these software services as a part of their portfolios.

The weakest participation is in developing human resources options; as stated earlier, this type of service appears to remain a cloistered area of practice for specialized companies.

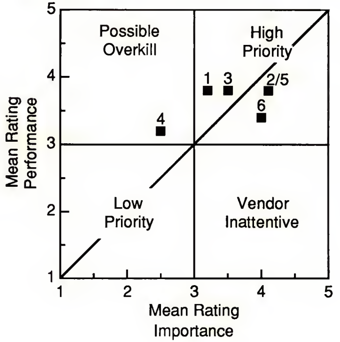
B

Vendor Performance in Delivering Extended Services

Vendor performance in delivering extended services to the user is generally good (overall mean rating of 3.8). Exhibit V-4 assesses the performance ratings for each extended services category against users' perception of each category's importance. The resulting graph presents a relative indication of how well vendors' services are being received in the user community.

EXHIBIT V-4

Assessment of Vendor Performance Compared to User Rating of Extended/Non-Traditional Services Category Importance—Overall

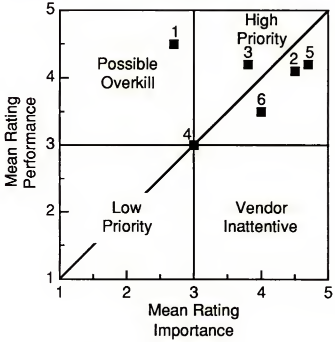


Legend: 1 = Planning & Design
2 = Network Services
3 = Software Services
4 = Human Resources
5 = Disaster Recovery
6 = Security Services

Although performance scores are generally positive overall, network and disaster recovery services display a slight performance gap regarding users' perception of their importance. Human resources shows recurring low scores throughout this study and can effectively be discounted as a viable channel for serious development.

EXHIBIT V-5

Assessment of Vendor Performance Compared to User Rating of Extended/Non-Traditional Services Category Importance—Large User



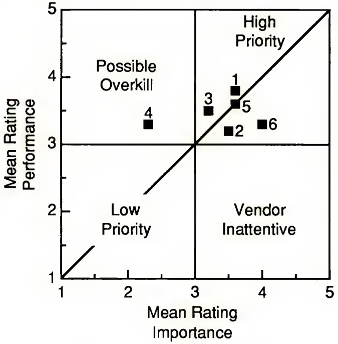
Legend: 1 = Planning & Design
2 = Network Services
3 = Software Services
4 = Human Resources
5 = Disaster Recovery
6 = Security Services

The large-user segment, referring to Exhibit V-5, appears to receive a higher general level of performance from the extended services vendor than does the small-user segment, shown in Exhibit V-6.

Results indicate, however, that planning and design services may be overdone by the vendors. A reorientation is suggested for vendors wanting to mine the large-user segment more thoroughly.

EXHIBIT V-6

Assessment of Vendor Performance Compared to User Rating of Extended/Non-Traditional Services Category Importance—Small User



Legend: 1 = Planning & Design
2 = Network Services
3 = Software Services
4 = Human Resources
5 = Disaster Recovery
6 = Security Services

Extended/non-traditional services are considered less important overall in the small user segment. Performance levels delivered by the associated vendors appear to complement the small-user segment's priorities, but are generally lower than the performance scores recorded in the large-user segment for these services.

C
Vendor Initiatives

A necessary initiative taken by the vendor community is the continuous training of the field service, technical support, and operational personnel. Exhibit V-7 summarizes the efforts of the vendor sample across five educational areas.

EXHIBIT V-7

Summary of Field Engineer/Technical Personnel Education Practices

Area of Educational Focus	Percent Requiring	Mean Days/Year
Software Maintenance/Support	92	10
Maintenance & Repair of New Technologies	100	12
Customer Relations/ Communications Skills	83	5
Sales (Cross-Sales) Development	33	3
Competitive Intelligence Gathering	25	9

Further breakdown of each educational area is not available, but the existence of such programs highlights the evolving requirements placed upon the customer/field service engineer as the resource for delivering solutions to the user.

The development of new services will require the customer/field personnel to add new responsibilities to their repertoire, as well as new tooling. The vendor evaluating the roll-out of extended/non-traditional services will need to determine and orchestrate a new mixture of skill levels and types. The division of labor in the service organization may evolve as more fluid and the required management methodology more sensitive to a matrix-style or team approach.

VI

Conclusions and Recommendations

VI

Conclusions and Recommendations

A
Summary

The results of this study support the following summary findings:

- Currently, 85% of the services delivered by vendors are defined as traditional services.
  - This tempers a strong consensus by the vendor sample that the traditional service market is not an area of significant growth. At present, even witnessing flat growth, this market cannot be discounted in strategic and tactical market planning.
  - The growth of extended/non-traditional services is difficult to define as a single market. However, acknowledged segments—systems integration, network management, disaster recovery, etc.—are anticipated to grow significantly over the next 2-5 years. The point at which extended services may comprise the majority of a service vendor's business is uncertain.
- The user community consistently rates service features that contribute to maintaining day-to-day systems and applications integrity as extremely important.
  - The service vendor must competently deliver service components that are response sensitive. This basic concept must be maintained by the vendor in any roll-out of more project-oriented or one-time service features.
  - The traditionally defined service vendor may leverage its existing service delivery infrastructure as the foundation for entering into response-oriented extended/non-traditional services—such as network maintenance, disaster recovery, and software support—and building from this extended service base. This corroborates information on service vendor activities, as seen in Chapter V.

- The small- and large-user segments utilize similar information processing technologies and configurations.
  - The small user has a need and requirement for the same service mix as does the large user. The vendor that structures premium services to only the large or highly visible user may be missing an opportunity.
  - It may be more appropriate for the vendor to assess a given user's configuration on the basis of user density rather than on processing volume.

B Recommendations

Within the bounds of these findings, it may be stated that there are four basic mechanisms that have led to the development of extended/non-traditional services in the customer/field service vendor community:

- The slow/flat growth of traditionally defined services
- The explosive use of networks, and the subsequent demand for service and support
- Software/application considerations taking priority in the equipment/system purchase decision
- The overall user requirement to make diverse configurations work!

The market emphasis on the technologies and design of information movement and the shift away from the more fundamental nature of the underlying computing infrastructure have created many new opportunities and risks for service vendors.

The response-sensitive nature of the traditionally defined service operation is well suited as a foundation for developing new service products focused on maintaining system integrity. Investments necessary when targeting network or software services in a maintenance and support role are in training, test/diagnostic equipment, and inventory maintenance. Within these specific categories, the economics of the business would still rest in the short-term service visit, and the characteristics of the service contract. The traditionally defined service operation is geared to work profitably in this type of business. INPUT's report *The Impact of New Support Technologies* investigates the large body of knowledge and technologies available to refine the service delivery infrastructure to better respond to this type of business.

The greatest threats are from competitors and industry segments that have established practices in project-oriented solutions or applications development.

INPUT offers Appendix A to assist in the assessment of new services. This appendix shows the analysis necessary to form a well-considered feasibility determination.

It is INPUT's general recommendation that the vendor conduct a systematic audit of its core business components and current operational effectiveness prior to any serious consideration of new services roll-out.

- If there are gaps or inconsistencies in the operational aspects of the vendor delivery infrastructure, these should be investigated and resolved in an effort to produce the greatest profits from existing operations.

- Identify current users who may serve as a base for moving into extended/non-traditional service categories. Incorporate measures to retain current user loyalties, and that have potential for bundling new services with high value-in-use traditional services.

To use the methodology presented in Exhibit A-1, the reader should indicate the appropriate score for each of the identified service category or business strength characteristics. At the completion of each section it will be necessary to calculate the mean score for that section. This will provide the reader with a single mean score for each section (service category characteristic and business strength characteristic, respectively). These two scores can then be plotted on the X/Y matrix presented in Exhibit A-2, service category characteristics being plotted on the Y axis.

This exercise establishes a rudimentary comparison of the relative roll-out potential for selected service categories. This comparison can suggest movements or tactics that may be necessary for vendors to pursue in order to successfully begin offering a given service.

Appendixes

A

Services Roll-Out Checklist

EXHIBIT A-1

Rudimentary New Services Roll-Out Assessment Worksheet

Service Category Characteristics	Rating	Reader Score
Segment Size—Total		
Very Small	1	
Small	2	
Medium	3	____
Large	4	
Very Large	5	
Segment Size—Reasonable Potential		
(Added Gross Revenue/Year)		
Very Small	1	
Small	2	____
Medium	3	
Large	4	
Very Large	5	
Segment Growth Rate—Total		
Declining	1	
Stable	2	____
Slow Growth	3	
Medium Growth	4	
Fast Growth	5	
Competitive Intensity		
Superior Competition	1	
Strong/Active Competition	2	____
Moderate Competition	3	
Slight/Some Competition	4	
No Competition	5	
Required Penetration/Expansion Investment		
Very High	1	
High	2	____
Moderate	3	
Low	4	
None	5	
Frequency of Purchase		
Infrequent User	1	
	2	____
Moderate User	3	
	4	
Heavy User	5	

EXHIBIT A-1 (CONT.)

Rudimentary New Services Roll-Out Assessment Worksheet

Service Category Characteristics	Rating	Reader Score
Probable Margin on Purchase		
Very Low	1	
Low	2	
Moderate (Acceptable)	3	______
High	4	
Very High	5	
Substitutes/Dependency		
Many Active Substitutes	1	
Few Active Substitutes	2	
Few Substitutes	3	
Sub-Standard Substitutes	4	______
No Substitutes	5	
Mean Score for Category/Segment Section		______

EXHIBIT A-1 (CONT.)

Rudimentary New Services Roll-Out Assessment Worksheet

Business Strength Characteristics	Rating	Reader Score
Relative Share in Market		
Under 10%	1	
10 - 25%	2	
26 - 50%	3	____
51 - 75%	4	
Over 75%	5	
Share Growth		
Declining	1	
	2	
Stable	3	____
	4	
Growing (Or >90%)	5	
Price Competitiveness—Operating Cost		
Product/Service Cost High	1	
	2	
Product/Service Cost Competitive	3	____
	4	
Product/Service Cost Low	5	
Product/Service Quality—Performance		
Below That of Competition	1	
	2	
Same as Competition	3	____
	4	
Better Than Competition	5	
Knowledge of Customer's/Market		
Not Knowledgeable/Less than Competition	1	
Not Very/Incomplete Information	2	
Same Information as Competition	3	____
More Information than Competition	4	
Very Knowledgeable/Better than Competition	5	
Brand/Vendor Recognition		
(Virtually) Unknown	1	
Not as Well Known as Competition	2	
As Well Known as Competition	3	____
Better Known than Competition	4	
Preferred to Competition/No Competition	5	

EXHIBIT A-1 (CONT.)

Rudimentary New Services Roll-Out Assessment Worksheet

Business Strength Characteristics	Rating	Reader Score
Delivery/Distribution Infrastructure		
No Delivery Infrastructure Exists	1	
Infrastructure Exists, Favors Competition	2	
Infrastructure Exists and Neutral	3	
Infrastructure Exists, Favors Vendor	4	____
Superior/Captive Infrastructure Exists	5	
Sales Effectiveness		
(Ability to Gain Share)		
Not at All	1	
Not Very Effective	2	
Somewhat Effective	3	____
Effective	4	
Very Effective	5	
Fit With Current (Core) Business/Services		
None (Dissimilar)	1	
Poor	2	
Fair	3	____
Good	4	
Very Good (Complementary)	5	
Unique Marketing Advantage		
No/Strong Disadvantage	1	
Minor Disadvantage	2	
Neutral	3	____
Minor Advantage	4	
Yes/Major Advantage	5	
Mean Score for Business Strength Section		____

EXHIBIT A-2

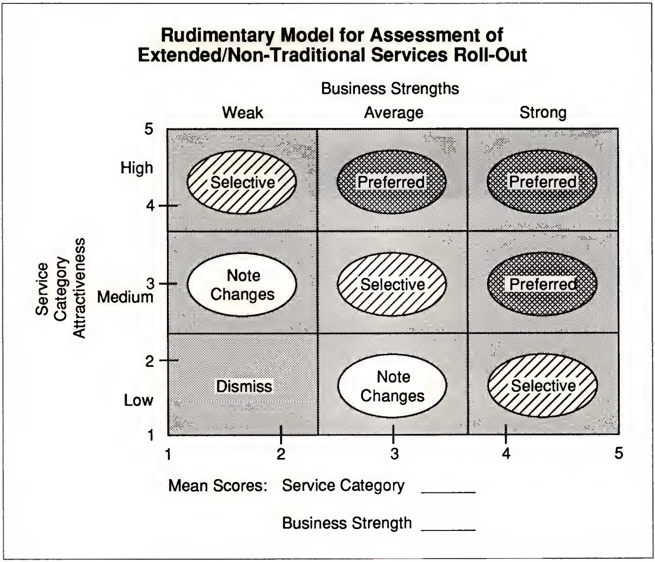
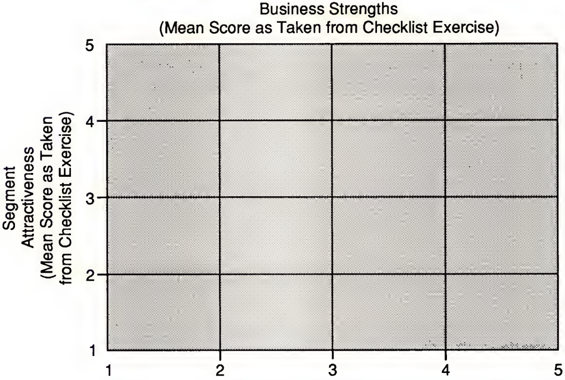

Rudimentary Model for Assessment of
Extended/Non-Traditional Services Roll-Out
Business Strengths
Weak
Average
Strong
5
High
4
3
Medium
2
Low
1
Service Category Attractiveness
Selective
Preferred
Preferred
Note Changes
Selective
Preferred
Dismiss
Note Changes
Selective
1
2
3
4
5
Mean Scores: Service Category ______
Business Strength ______

EXHIBIT A-3

Rudimentary Model for Assessment of Extended/Non-Traditional Services Roll-Out: Reader Worksheet for Plotting Results



B

User Questionnaire

The following two questionnaires have been used by INPUT during 1991 to conduct research in the customer support and services area. The findings from these interviews form much of the underlying research for this report.

INTRODUCTION; USER QUESTIONNAIRE

(ASK FOR SPECIFIC CONTACT IF AVAILABLE FROM SAMPLE. IF NONE EXISTS, ASK TO BE CONNECTED WITH THE PERSON RESPONSIBLE FOR THE ACQUISITION OF MAINTENANCE, REPAIR, AND SUPPORT SERVICES FOR THEIR COMPANY'S INSTALLED BASE OF COMPUTER AND ELECTRONIC SYSTEMS AND EQUIPMENT, INCLUDING NETWORKS.)

(INTRODUCTION TO OPERATOR); (IF NECESSARY):

Good morning/afternoon/evening. I'm Mr./Ms. __________ calling long distance from INPUT in ___________, and we are conducting a study about the support services available for computer and electronic systems and equipment, including networks.

(WHEN MANAGER COMES TO PHONE: INTRODUCTION TO MANAGER/EQUIPMENT SERVICE MANAGER)

Good morning/afternoon/evening. I'm Mr./Ms. ___________ calling from INPUT in ___________. We are conducting a study to assess overall service quality with regard to computer and information-processing equipment and systems.

A. Just to check, do you have computer and information processing equipment operating or otherwise installed at this location?

[ ] Yes (CONTINUE)
[ ] No (THANK RESPONDENT AND TERMINATE)

B. Do you have managerial responsibility for the ongoing operation and support of these systems and equipment at your company?

[ ] Yes (GO TO INTRODUCTION)
[ ] No (CONTINUE)

C. May I please speak with that person? (OBTAIN NAME/TITLE/DEPARTMENT AND ASK TO BE CONNECTED)

(NOTE: BEFORE CONTINUING TO MAIN QUESTIONNAIRE, RESPONDENT MUST ANSWER "YES" TO QUESTIONS A AND B)

(INTRODUCTION)

As part of INPUT's continuing research programs, we are conducting a survey of users to assess their service needs and requirements and investigate the sensitivity to developing service issues. Your response will ultimately lead to better support options in the future. We would be happy to supply you with a summary of our findings from the subsequent report.

Would you have a few minutes at this time, or would you prefer I call back at a more convenient time?

[ ] IF AVAILABLE, CONTINUE WITH MAIN QUESTIONNAIRE, Q.6

[ ] IF NOT AVAILABLE, ARRANGE FOR CALLBACK

Callback Date: ______________________________

Specific Time: ________AM/__________PM

MAIN USER QUESTIONNAIRE

I. BACKGROUND (TO BE VERIFIED AND RECORDED AS INTRODUCTION IS CONDUCTED)

A. Known Systems/Equipment:

_________________________ _________________________

_________________________ _________________________

_________________________ _________________________

B. Title of Respondent: (DO NOT READ LIST)

[ ] MIS Director
[ ] Director Data Center Operations
[ ] Director of Purchasing
[ ] Other (Specify: ____________________)

(REMAINDER TO BE CONDUCTED AS QUESTIONS TO BE READ VERBATIM)

II. CURRENT SERVICE/SUPPORT STATUS

1. For each of the following types of equipment that I list, please indicate approximately how many units are under your charge—that is, where you are responsible for the administration or management of service for that equipment.

2. For the equipment categories you mentioned, do you service any of this equipment in-house? If so, exactly what kinds of service do you provide for this equipment?

TYPE OF EQUIPMENT	NUM. OF UNITS	IN-HOUSE SERVICE		KIND OF SERVICE DONE BY IN-HOUSE PERSONNEL
DATA PROCESSING:		Y	N	
- Mainframe (MIPS/UNITS)	#_____	1	2	____________
- Minicomputers (MIPS/Unit)	#_____	1	2	____________
- Workstations (H.End PCs)	#_____	1	2	____________
- PCs	#_____	1	2	____________
- CRTs/Data Terminals	#_____	1	2	____________
NETWORKS:				
- Terminal Networks (Nodes)	#_____	1	2	____________
- LANs (# Nodes)	#_____	1	2	____________
PERIPHERALS:				
- Printers, other periphs,	#_____	1	2	____________
- Disk Drives (GigaBytes)	#_____	1	2	____________
OFFICE AUTOMATION:				
- Copiers	#_____	1	2	____________
- FAX machines	#_____	1	2	____________
OTHER:				
____________	#_____	1	2	____________
____________	#_____	1	2	____________
____________	#_____	1	2	____________

3. What is the name of your **primary** external service supplier?

   Primary Vendor: ____________________

4. How many external service suppliers do you currently have providing service and support for your installed base of equipment?

   Number of External Service Vendors # __________

5. Which of the following service features do you have provided to you for those types of equipment you have mentioned? (RECORD BELOW; READ THROUGH ENTIRE LIST)

6. Please rate the importance of each service feature provided to you on a scale from 1 to 5, where 1 = NOT IMPORTANT and 5 = EXTREMELY IMPORTANT. (READ BACK LIST OF SERVICE FEATURES THAT ARE BEING PROVIDED TO RESPONDENT. RECORD BELOW)

SERVICE FEATURE	CURRENTLY HAS W/ SERVICE (Q.5)	RATING OF IMPORTANCE (Q.6)
Parts	1	______
Labor	1	______
Preventive Maintenance	1	______
7-Day/24-Hour Service	1	______
Guaranteed 4-hour response time	1	______
Guaranteed 2-hour response time	1	______
Guaranteed 1-hour response time	1	______
Unlimited Service Calls	1	______
Factory Depot Service	1	______
Replacement/Loaner units	1	______
Uptime Guarantee	1	______
On-Site Service Engineer	1	______
Telephone Support/Help Desk	1	______
Installations/Moves/Adds	1	______
Remote Hardware Diagnostics	1	______
Micro-Code Diagnostics/Repair	1	______
Other Software Diag./Repair	1	______

IF YES TO DIAG. QUESTIONS:

7. In the delivery of the software/hardware diagnostics and repair services, do you have access to the service vendor's problem/resolution data base?

[ ] Yes [ ] No

8. Do you have the ability to upload or download problem or solution information to your service vendor?

[ ] Yes [ ] No

9. Do you currently receive any of the following discounts off your service pricing? (RECORD BELOW)

10. If you do not presently receive any discounts, what is your level of interest in the mentioned discounts? Rate 1 to 5, where 1 indicates LOW INTEREST, and 5 indicates HIGH INTEREST.

TYPE OF DISCOUNT	RECEIVES	L.O.I.
Multiyear Contract/Agreement	1	________
Prepayment	1	________
Call Screening/Problem Manag. Dispatch Avoidance Meth.	1	________
Deferred Response	1	________
Other: (Specify:____________)	1	________

III. PERCEPTIONS ON EXPANDED/INNOVATIVE SERVICES

11. Do the external customer service vendors provide you with any of the following expanded services or product offerings? (READ THROUGH LIST; RECORD BELOW IN COLUMN A)

12. Of the expanded services provided to you by your service vendors, please rate (on scale from 1 to 5) how important this service is to your company. 1 indicates that the service category is of LOW IMPORTANCE, and 5 indicates that the service category is of EXTREME IMPORTANCE to your company.

13. Please rate the level of performance you receive from your service organization in delivering these expanded services. Again use a scale from 1 to 5, where 1 indicates NOT AT ALL SATISFIED with the service performance and 5 indicates that you are EXTREMELY SATISFIED with the performance of the service organization in delivering these expanded services to you.

EXPANDED SERVICE PRODUCTS	RECEIVES SRV.ITEM (Q.11)	RATE IMP. (1 TO 5) (Q.12)	PERF.RATE (1 TO 5 (Q.13)
PLANNING/DESIGN SERVICES:		____	____
- Design & Engineering	1		
- Site Planning	1		
- Purchase Consultation	1		
NETWORK SERVICES:		____	____
- Cabling	1		
- Network Maintenance	1		
- Network Management	1		
SOFTWARE AND SERVICES:		____	____
- Applications Training	1		
- Standardized Software Products	1		
- Custom Applications Development	1		
HUMAN RESOURCES:		____	____
- Recruitment/Staffing	1		
- Temporary Personnel	1		
DISASTER RECOVERY SERVICES:	1	____	____
SECURITY SERVICES:		____	____
- Network/System Security	1		
- Security Planning	1		

14. Approximately when did your service vendor begin offering these expanded or non-traditional services?

Date expanded services received ___/___/___

IV. ONE-STOP CUSTOMER/FIELD SERVICE AND SUPPORT

15. Some service vendors are now in the practice of contracting to supply a single point of contact for all of the user's service needs—tying systems software support, applications support, and related services with the more traditional aspects of multivendor hardware services. Are you presently participating in this type of service agreement?

    [ ] Yes **(skip to Q.18)**

    [ ] No

16. On a scale of 1 to 5, what would be your level of interest in this type of "single-point-of-contact" service arrangement? 1 indicates NO INTEREST, and 5 indicates HIGH LEVEL OF INTEREST.

    No Interest 1
    2
    3
    4
    High Interest 5

17. How much of a premium would you be willing to pay to have this "single point of contact"?

    [ ] Would not pay premium
    [ ] Uncertain
    [ ] Willing to pay additonal 1-5%
    [ ] Willing to pay additonal 6-10%
    [ ] Willing to pay more than 10%

    } **(skip to Q.20)**

18. When entering into this "single-point-of-contact" service agreement, was your company required to submit any type of application to be eligible to receive this service?

    [ ] Yes

    [ ] No **(skip to Q.20)**

19. Which, if any, of the following information was required on this application?

    [ ] Equipment Inventory: ("did this include")
    - [ ] Number of Units
    - [ ] Location(s) of all units
    - [ ] Manufacturer
    - [ ] Model Numbers
    - [ ] Serial Numbers
    - [ ] Current Warranty Status

    [ ] Overall Service Expenditure Information
    [ ] Availability of Equipment Service Records

20. Some service suppliers are in the practice of subcontracting certain services to third parties. Do you feel this:

[ ] Has a negative impact on service quality
[ ] Makes no difference
[ ] Has a positive impact on service quality

V. PERCEPTIONS REGARDING SERVICE MARKET AND DEMAND TRENDS

21. Many industry sources cite the advancement of computer and electronics technologies and their applications, especially the expanding use of networks, as creating an increased sensitivity by the user for service and support of this equipment. Compared to, say, two years ago; how much more sensitive are you toward service and support issues in general? Rate with 1 indicating LOW SENSITIVITY and 5 indicating HIGH SENSITIVITY.

Low Sensitivity 1
2 **(skip to Q.23)**
3
4
High Sensitivity 5

22. What issues are most important to you?

[ ] Response [ ] No Response

(Probe: network maintenance, response times, configuration design development)

23. Do you consider the support needs of "Open Architectures/Systems" and/or UNIX systems as different from those of other systems?

[ ] Yes [ ] No **(skip to Q.25)**

24. Why?

[ ] Response [ ] No Response

25. How much more would you be willing to pay for the exact features and level of service and support you need?

[ ] Would not pay additional fees
[ ] Uncertain
[ ] Willing to pay 1-5% more
[ ] Willing to pay 6-10% more
[ ] Willing to pay 10% or more

26. **(RESPONDENTS WITH NO SERVICES PROVIDED IN Q.11)**

How likely is it that you will utilize your current service vendors to provide you with the expanded and non-traditional services we've been discussing?

[ ] Very Likely
[ ] Somewhat Likely
[ ] Uncertain
[ ] Somewhat Unlikely } **skip to Q.29)**
[ ] Very Unlikely

27. **(RESPONDENTS WITH SOME/ALL SERVICES PROVIDED IN Q.11)**

How likely is it that you will switch service suppliers over the next 12 months?

[ ] Very Likely
[ ] Somewhat Likely
[ ] Uncertain
[ ] Somewhat Unlikely } **skip to Q.29)**
[ ] Very Unlikely

28. Why?

[ ] Response [ ] No Response

____

____

____

29. How much was paid to external service vendors over the course of 1990 for service and support on all of your establishment's installed equipment base?

[Note ALL exceptions, clarifications] $____________________

30. How much do you expect this figure to change for 1991?

[ ] Increase (by what percent? ________%)

[ ] Remain the same **(skip to Q.32)**

[ ] Decrease (by what percent? ________%)

31. Why?

[ ] Response [ ] No Response

____

____

____

32. How much do you anticipate this figure to change in the next 5 years?

[ ] Increase (by what percent? ________%)

[ ] Remain the same

[ ] Decrease (by what percent? ________%)

33. Compared to your fiscal year 1990, has the proportion of your total annual operating budget dedicated to service and support changed for 1991?

[ ] Increased (by what percent? _______%)

[ ] Remained the same

[ ] Decreased (by what percent? _______%)

34. To wrap this up, may I ask what you would consider to be the single most important service and support issue for the computer systems user?

____

____

____

(THIS COMPLETES THE QUESTIONNAIRE. I WOULD LIKE TO THANK YOU ON BEHALF OF INPUT FOR HELPING US TO COMPLETE THIS STUDY. TO EXPRESS OUR APPRECIATION FOR YOUR TIME AND EFFORTS, WE WILL BE SENDING YOU A "THANK YOU" PACKAGE CONTAINING A SUMMARY OF THE RESULTS FROM OUR SURVEY. TO MAKE SURE YOU RECEIVE OUR COMPLIMENTARY REPORT SUMMARY, LET ME CHECK THE SPELLING OF YOUR NAME AND ADDRESS INFORMATION. **CONFIRM AND RECORD ON COVER SHEET**)

C

Vendor Questionnaire

INTRODUCTION/SCREENER; **VENDOR** QUESTIONNAIRE

(ASK FOR SPECIFIC CONTACT IF AVAILABLE FROM SAMPLE. IF NONE AVAILABLE, ASK TO BE CONNECTED WITH THE PERSON RESPONSIBLE FOR BUSINESS DEVELOPMENT AND MARKETING OF MAINTENANCE, REPAIR, AND SUPPORT SERVICES FOR THE COMPANY.)

(INTRODUCTION TO OPERATOR); (IF NECESSARY):

Good morning/afternoon/evening. I'm Mr./Ms. __________ calling long distance from INPUT in ___________, and we are conducting a study about new trends in services delivery in the computer and electronic systems and equipment marketplace.

(WHEN MANAGER COMES TO PHONE: INTRODUCTION TO MANAGER / CUSTOMER SERVICE MANAGER)

Good morning/afternoon/evening. I'm Mr./Ms. ___________ calling from INPUT in __________. We are conducting a study to assess new trends in service delivery with regard to computer and information-processing equipment and systems and their users.

A. Just to check, do you have responsibility for business development and marketing of your company's service portfolio and organziation?

[ ] Yes (GO TO INTRODUCTION)
[ ] No

B. May I please speak with that person? (OBTAIN NAME/TITLE/DEPARTMENT AND ASK TO BE CONNECTED, THANK INITIAL CONTACT, AND TERMINATE.)

(NOTE: BEFORE CONTINUING TO MAIN QUESTIONNAIRE, RESPONDENT MUST ANSWER "YES" TO QUESTION A.)

(INTRODUCTION)

As part of INPUT'S continuing research programs, we are conducting a survey to investigate current and developing trends in service products and delivery innovations. Your response would lead to more-effective support options in the future. We would be happy to supply you with a summary of our findings from the subsequent report.

Would you have a few minutes at this time, or would you prefer I call back at a more convenient time?

[ ] IF AVAILABLE, CONTINUE WITH MAIN QUESTIONNAIRE, Q.6

[ ] IF <u>NOT</u> AVAILABLE, ARRANGE FOR CALLBACK

Callback Date: ____________________________

Specific Time: _______AM/__________PM

MAIN VENDOR QUESTIONNAIRE

I. BACKGROUND (to be verified against sample information during the introduction process)

A. Sample Segment:

[ ] TPM/ISO/IMO
[ ] OEM Service Organization
[ ] VAR
[ ] Distributor

B. Title of Respondent: (DO NOT READ LIST)

[ ] Director Customer/Field Service
[ ] Director Marketing (Service)
[ ] Director Business Development
[ ] Other: (Specify: ____________________)

(BEGIN READING QUESTIONS. PLEASE READ VERBATIM)

1. How would you define your company? Would you consider it to be a:

[ ] Independent Service Organization (ISO)
[ ] OEM Service Organization
[ ] VAR (Value-Added Reseller)
[ ] Distributor with a service organization

(IF VOLUNTEERED)

[ ] Other (Specify: ____________________)

2. Approximately how many field engineers and/or technicians do you have operating in your service organization in total? (within continental U.S.)?

   Number of Field Engineers in U.S.: __________

3. In total, how many offices does your firm operate in the U.S.?

   Total Number of Offices in U.S.: _________

II. ONE-STOP CUSTOMER/FIELD SERVICE AND SUPPORT

4. Some industry sources suggest a swing by the user toward contracting with a single company to meet all service requirements—tying systems software support, applications support, and related issues with the traditional aspects of multivendor hardware service. CONSIDERING YOUR CUSTOMER BASE, how strongly do you agree or disagree with this statement? Again use the scale where 1 indicates that you DO NOT AGREE AT ALL with the statement and a 5 indicates that you AGREE STRONGLY.

Do Not Agree	1
	2
	3
	4
Agree Strongly	5

5. Does your service organization offer this type of "single-point-of-contact" service?

   [ ] Yes(**skip to Q.7**) [ ] No

6. Do you plan on developing this type of service in the next 12 months?

   [ ] Yes [ ] No (**skip to Q.9**)

7. What technology or operational changes, if any, have been implemented to deal with the increased service demand involved with the roll-out and delivery of these new services?

   [ ] Response [ ] No Response (**skip to Q.9**)

   ____

   ____

   ____

8. Can you estimate the costs involved with these changes?

   Costs of Roll-Out $______________

9. In delivering service to the user, have you subcontracted certain service activities to other service vendors?

   [ ] Have subcontracted
   [ ] Have not subcontracted **(skip to Q.14)**

10. Which types of services you are most likely to contract out?

    [ ] Response [ ] No Response

    ____

    ____

    ____

11. Is this subcontracting activity transparent to the user?

    [ ] Yes, subcontract is unknown to user
    [ ] No, the user is aware of subcontract

12. Has this subcontracting of service developed into any formal alliances or agreements with other service organizations?

    [ ] Formal alliances have been made
    [ ] No formal alliances have been made **(SKIP TO Q.14)**

13. Can you identify the name or type of company you have allied with? What are the general characteristics of the agreement?

Name/Type of Company	Agreement Characteristics
1.____________	____________
2.____________	____________
3.____________	____________
4.____________	____________

III. EXPANSION/INNOVATION OF SERVICES

14. Which of the following types of information-processing equipment do you presently provide service for? (READ LIST AND RECORD IN COLUMN A.)

    Which, if any, of these services were recently added to your service portfolio—that is, within the last 6 months? (RECORD IN COLUMN B.)

15. Over the past 12 months, has your service organization voluntarily stopped supplying service on any of these, or other types, of equipment? (READ BACK THROUGH LIST AS NEEDED TO ASSIST RESPONDENT; RECORD IN COLUMN C.)

16. Of those categories of equipment you do not presently service, do you plan on adding this service in the next 12 months? (RECORD IN COLUMN D.)

	A	B	C	D
TYPE OF EQUIPMENT	CURRENTLY SERVICES	RECENTLY ADDED SERVICES	DROPPED SERVICES	PLANS TO ADD IN NEXT 12M
DATA PROCESSING:				
- Mainframes	[ ]	[ ]	[ ]	[ ]
- Mini (Midrange) Comp.	[ ]	[ ]	[ ]	[ ]
- Workstations/PCs	[ ]	[ ]	[ ]	[ ]
- CRTs/Data Terminals	[ ]	[ ]	[ ]	[ ]
Terminal Networks	[ ]	[ ]	[ ]	[ ]
LANs	[ ]	[ ]	[ ]	[ ]
Peripherals	[ ]	[ ]	[ ]	[ ]
- Disk Drives	[ ]	[ ]	[ ]	[ ]
OFFICE AUTOMATION:				
- Copiers	[ ]	[ ]	[ ]	[ ]
- FAX machines	[ ]	[ ]	[ ]	[ ]
OTHER:				
________________	[ ]	[ ]	[ ]	[ ]
________________	[ ]	[ ]	[ ]	[ ]
________________	[ ]	[ ]	[ ]	[ ]

17. In general, can you indicate the primary reason(s) your service organization chose to add or drop these equipment categories to your services? (RECORD APPROPRIATE EQUIPMENT TYPE WITH ASSOCIATED RESPONSE.)

RESPONDENTS WHO RECENTLY ADDED SERVICES

[ ] Response [ ] No Response

____

____

____

RESPONDENTS WHO DROPPED SERVICES

[ ] Response [ ] No Response

18. The continuing delivery of systems and products utilizing advanced technologies to the user is evident. (e.g., CD ROM, virtual networks, image processing, extensive application of LANs)

Please explain any major effects these new technologies have on the service requirements of your customer base? (PROBE)

[ ] Response [ ] No Response

19. Which of the following service features do you provide to the user for those types of equipment you have mentioned. (RECORD BELOW IN COL. A.)

20. For each service feature you do offer, would you classify that feature as part of your "basic" services or as a "premium" feature?

SERVICE FEATURE	DOES PROVIDE TO USER	FEATURE PERCEIVED "BASIC"	FEATURE PERCEIVED "PREMIUM"
Parts	1	1	2
Labor	1	1	2
Preventive Maintenance	1	1	2
7-Day/24-Hour Service	1	1	2
4-Hour Response Time	1	1	2
2-Hour Response Time	1	1	2
1-Hour Response Time	1	1	2
Unlimited Service Calls	1	1	2
Uptime Guarantee	1	1	2
Depot Service Availability	1	1	2
On-Site Service Engineer	1	1	2
Telephone Support	1	1	2
Replacement/Loaner Units	1	1	2
Installations/Moves/Adds	1	1	2

21. Does your company specifically target any vertical-market segments when selling and packaging the service products you have mentioned? If so, which?

Vertical Market Served

____

____

____

____

____

22. In addition to the service features traditionally offered by a customer service organization, do you provide any of the following services or products to the user?

EXPANDED SERVICE PRODUCTS	DOES OFFER	RECENTLY ADDED	PLANS TO ADD
PLANNING/DESIGN SERVICES:			
- Design & Engineering	1	2	3
- Site Planning	1	2	3
- Purchase Consultation	1	2	3
NETWORK SERVICES:			
- Cabling	1	2	3
- Configuration Planning	1	2	3
- Capacity Planning	1	2	3
- Network Maintenance	1	2	3
- Network Management	1	2	3
SOFTWARE AND SERVICES:			
- Applications Training	1	2	3
- Standardized Software Products	1	2	3
- Custom Applications Development	1	2	3
HUMAN RESOURCES:			
- Recruitment/Staffing	1	2	3
- Temporary Personnel	1	2	3
DISASTER RECOVERY SERVICES:	1	2	3
SECURITY SERVICES:			
- Network/System Security:	1	2	3
- Security Planning	1	2	3

23. What percentage of your service revenues would you estimate comes from the basic/traditional services, and what percentage comes from the delivery of expanded or non-traditional services?

Traditional/Basic % ________
Non-traditional/Expanded % ________
100%

IV. IMPACT OF NEW TECHNOLOGIES

24. Do you provide or require continuing education for your field engineers in any of the following areas? If so, approximately how much time in days or weeks is dedicated to that topic? **(RECORD TIME IN DAYS!!!!)**

EDUCATIONAL FOCUS/TOPIC	Prov./Req.	Days/Year
Software Maintenance	1	#______
Maintenance & Repair of New Hardware Technologies	1	#______
Customer Relations/ Communications Skills	1	#______
Sales Development (Cross-Sales Dev.)	1	#______
Competitive Intelligence Gathering	1	#______

25. Do you incorporate any level of field service information system in your organization?

[ ] Yes **(skip to Q.27)** [ ] No

(NOTE: *field service information system* (FSIS) is defined as: a software application designed to provide service management with a high level of control over the service infrastructure by providing data regarding operations, performance, accounting, inventory movement, service call histories, field personnel activity, etc.)

26. Do you have plans to implement any level of field service information system within the next 12 months?

[ ] Yes [ ] No **(skip to Q.35)**

27. On a scale of 1 to 5, how would you relate the degree of competitive advantage you feel you have received from the implementation of the FSMS in your service operation? 1 indicates that you believe the FSMS provides you with NO COMPETITIVE ADVANTAGE AT ALL, and 5 indicates that the implemenation of the FSMS provides you with SIGNIFICANT COMPETITIVE ADVANTAGE

No Competitive Advantage	1
	2
	3
	4
Significant Comp. Advan.	5

28. Was this field service information system developed as a custom application or was it purchased as a standardized applications package?

[ ] Custom FSMS
[ ] Standardized FSMS Package

29. Which of the following functions does your present/planned field service information system support?

[ ] Call Handling and Dispatch
[ ] Inventory Control
[ ] Customer Information File/Database
[ ] Service Billing
[ ] Remote Hardware Diagnostics
[ ] Remote Software Diagnostics/Repair

(DOES THIS SYSTEM SUPPORT ANY OTHER FUNCTIONS?)

[ ] Other: (Specify:____________________________)

30. Were these functions implemented at the same time? If not, which function did you choose to implement first?

Function Implemented First: ____________________

31. Which, of the system functions you mentioned, do you feel provides the greatest benefit TO THE USER?

[ ] Call Handling and Dispatch
[ ] Inventory Control
[ ] Customer Information File/Data Base
[ ] Service Billing
[ ] Other: (Specify:____________________________)

32. Approximately, what has been your total investment in implementing your FSIS to date?

Total FSIS Investment $____________________

33. On a scale from 1 to 5, please rate the amount of hard cost savings each FSMS function has provided to your organization. 1 indicates NO HARD COST SAVINGS, and 5 indicates SIGNIFICANT HARD COST SAVINGS. You may use any number from 1 to 5.

FROM Q.29

[ ] Call Handling & Dispatch	No Hard Savings	1
		2
		3
		4
	Significant Savings	5
[ ] Inventory Control	No Hard Savings	1
		2
		3
		4
	Significant Savings	5
[ ] Customer Information File /Data Base	No Hard Savings	1
		2
		3
		4
	Significant Savings	5
[ ] Service Billing	No Hard Savings	1
		2
		3
		4
	Significant Savings	5
[ ] Remote Hardware Diagnostics	No Hard Savings	1
		2
		3
		4
	Significant Savings	5
[ ] Remote Software Diagnostics/Repair	No Hard Savings	1
		2
		3
		4
	Significant Savings	5

34. Which of these functions provides your service organization with the greatest soft benefits—that is, contributes the most to refining or improving your service delivery and quality? 1 indicates the function offers NO SOFT BENEFITS, and 5 indicates the function CONTRIBUTES SIGNIFICANT SOFT BENEFITS.

FROM Q.29		
[ ] Call Handling & Dispatch	No Soft Benefits	1
		2
		3
		4
	Significant Soft Benefits	5
[ ] Inventory Control	No Soft Benefits	1
		2
		3
		4
	Significant Soft Benefits	5
[ ] Customer Information File	No Soft Benefits	1
		2
		3
		4
	Significant Soft Benefits	5
[ ] Service Billing	No Soft Benefits	1
		2
		3
		4
	Significant Soft Benefits	5
[ ] Remote Hardware Diagnostics	No Soft Benefits	1
		2
		3
		4
	Significant Soft Benefits	5
[ ] Remote Software Diagnostics/Repair	No Soft Benefits	1
		2
		3
		4
	Significant Soft Benefits	5

V. PERCEPTIONS ON CURRENT CUSTOMER/FIELD SERVICES MARKET

35. Considering the overall services market, how strongly would you agree or disagree with the following statements, where a 1 indicates that you DO NOT AGREE AT ALL and a 5 indicates that you AGREE STRONGLY. You may use any number from 1 to 5.

A. There will be significant growth in the traditional services (10%+ annually).

Do Not Agree 1
2
3
4
Agree Strongly 5

B. Significant growth in traditional customer service markets will be seen through innovative marketing and/or the restructuring of service delivery mechanisms.

Do Not Agree 1
2
3
4
Agree Strongly 5

C. Significant growth will develop through the delivery of allied, non-traditional services by customer service organizations.

Do Not Agree 1
2
3
4
Agree Strongly 5

D. Overall market growth cannot be assessed in the aggregate. Technology and vigorous user demands have brought the competition to the segment and niche level. Significant growth will be seen in specific areas, not in the overall market.

Do Not Agree 1
2
3
4
Agree Strongly 5

VI. ADDITIONAL CLASSIFICATION

(FINALLY, FOR CLASSIFICATION PURPOSES:)

36. Over the past 12 months, do you estimate that your company's service revenues have:

[ ] Increased significantly (>10%)
[ ] Increased, but at a rate less than 10%
[ ] Remained about the same
[ ] Decreased

37. To wrap this up, may I ask what you would consider to be the single most important issue for the service vendor in the current marketplace?

____

____

____

(THIS COMPLETES THE QUESTIONNAIRE. I WOULD LIKE TO THANK YOU ON BEHALF OF INPUT FOR HELPING US TO COMPLETE THIS STUDY. TO EXPRESS OUR APPRECIATION FOR YOUR TIME AND EFFORTS, WE WILL BE SENDING YOU A "THANK YOU" PACKAGE CONTAINING A SUMMARY OF THE RESULTS FROM OUR SURVEY. TO MAKE SURE YOU RECEIVE OUR COMPLIMENTARY REPORT SUMMARY, LET ME CHECK THE SPELLING OF YOUR NAME AND THE ADDRESS INFORMATION. CONFIRM AND RECORD ON COVER SHEET.)